

WEDNESDAY, MARCH 31, 1999

THIRD LEGISLATIVE DAY

FIRST EXTRAORDINARY SESSION

The House met at 9:00 a.m. and was called to order by Mr. Speaker Naifeh.

The proceedings were opened with prayer by Representative Hagood.

Representative Hagood led the House in the Pledge of Allegiance to the Flag.

ROLL CALL

The roll call was taken with the following results:

Present..... 95

Representatives present were: Armstrong, Arriola, Baird, Beavers, Bittle, Black, Bone, Bowers, Boyer, Briley, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Cocke), Davis (Washington), DeBerry J., DeBerry L., Dunn, Eckles, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Gunnels, Hagood, Hargett, Hargrove, Harwell, Hassell, Head, Hood, Jones S., Jones U., Kent, Kernell, Kerr, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Patton, Phelan, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Robinson, Sands, Sargent, Scroggs, Sharp, Stulce, Tidwell, Tindell, Todd, Towns, Turner (Hamilton), Turner (Shelby), Walker, Walley, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 95.

EXCUSED

The Speaker announced that the following member(s) has/have been excused, pursuant to request(s) under **Rule No. 20**:

Representative Jackson; personal reasons.

Representative McAfee; illness.

Representative Odom; personal reasons.

Representative Phillips; personal reasons.

SPONSORS ADDED

Under **Rule No. 43**, the following members were permitted to add their names as sponsors as indicated below, the prime sponsor of each having agreed to such addition:

House Joint Resolution No. 9: Rep(s). Bone as prime sponsor(s).

PERSONAL ORDERS

CHAIR TO DEBERRY

Mr. Speaker Naifeh relinquished the Chair to Rep. DeBerry, Speaker pro tempore.

RECOGNITION IN THE WELL

Rep. Brooks was recognized in the Well to introduce members of Safe Kids of Tennessee.

RULES SUSPENDED

Rep. Brooks moved that the rules be suspended for the purpose of introducing **House Resolution No. 7** out of order, which motion prevailed.

House Resolution No. 7 -- Memorials, Public Service - "Safe Kids Day on the Hill," March 31, 1999. by *Brooks.

On motion, the rules were suspended for the immediate consideration of the resolution.

On motion of Rep. Brooks, with the request that all members voting aye be added as sponsors, the resolution was adopted by the following vote:

Ayes..... 92
Noes..... 0

Representatives voting aye were: Armstrong, Arriola, Baird, Beavers, Bittle, Black, Bone, Bowers, Boyer, Briley, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Cocke), Davis (Washington), DeBerry J., DeBerry L., Dunn, Eckles, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Givens, Godsey, Goins, Gunnels, Hagood, Hargett, Hargrove, Harwell, Hassell, Head, Hood, Jones S., Jones U., Kent, Kernell, Kerr, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McDonald, McMillan, Miller, Montgomery, Mumpower, Newton, Patton, Phelan, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Robinson, Sands, Sargent, Scroggs, Sharp, Stulce, Tidwell, Tindell, Todd, Towns, Turner (Hamilton), Turner (Shelby), Walker, Walley, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 92.

A motion to reconsider was tabled.

RESOLUTIONS

Pursuant to **Rule No. 17**, the following resolution(s) was/were introduced and placed on the Consent Calendar for April 1, 1999:

House Resolution No. 8 -- Memorials, Professional Achievement - Dr. Allan D. Spritzer, selection for Allen and Ruth Harris Chair of Excellence in Business. by *Davis (Wash), *Patton.

House Joint Resolution No. 13 -- Memorials, Sports - Omar Sneed, University of Memphis basketball star. by *Hargett.

House Joint Resolution No. 14 -- Memorials, Death - John Dooley. by *Walker (Rhea), *Curtiss.

House Joint Resolution No. 15 -- Memorials, Recognition and Thanks - Greater Imani Church's Calvary to Memphis Concept to commemorate Dr. Martin Luther King, Jr. at April 4, 1999 Easter service at Mid-South Coliseum. by *Brooks, *Pruitt, *Bowers, *Towns, *DeBerry L, *Brown, *Armstrong.

INTRODUCTION OF BILLS

On motion, the following bills were introduced and passed first consideration:

***House Bill No. 7** -- Taxes - Enacts "Tax Act of 1999." Amends TCA Title 5; Title 6; Title 7; Title 9; Title 45; Title 48; Title 56; Title 57; Title 61; Title 62; Title 67 and Title 68. by *Kisber. (SB12 by *Cooper)

***House Bill No. 8** -- Taxes - Deletes exemptions to sales and use tax. Amends TCA Title 48; Title 56; Title 61; Title 62 and Title 67. by *Kisber. (SB13 by *Cooper)

House Bill No. 9 -- Taxes, Exemption - Exempts from sales and use tax edible food or food products for home consumption, as defined by federal Food Stamp Act of 1977. Amends TCA Titles 4; 5; 6; 7; 8; 9; 10; 11; 12; 13; 16; 29; 39; 40; 50; 54; 55; 56; 57; 60; 65; 67; 68; 69; and 70. by *Kisber. (*SB02 by *Cooper, *Cohen, *Crutchfield, *Kyle)

House Bill No. 10 -- Taxes, Franchise - Defines "pass-through entity" and "doing business in Tennessee" for franchise/excise tax purposes; provides that for purposes of apportionment, pass-through entities in which taxable entity has interest in profits or capital shall be disregarded as separate entity and tax attributes shall be attributed to each owner of such entity to extent of such owner's ownership interest. Amends TCA Title 67. by *Hargrove. (*SB06 by *Rochelle)

House Bill No. 11 -- Taxes - Revises pass-through entity taxation laws. Amends TCA Title 67. by *Hargrove. (*SB05 by *Rochelle)

House Bill No. 12 -- Taxes - Revises actions commissioner of revenue can take to prevent tax evasion or to clearly reflect income. Amends TCA Title 48 and Title 67. by *Hargrove, *McDaniel, *Kisber. (*SB04 by *Rochelle)

House Bill No. 13 -- Taxes - Enacts the "Fair Sales Tax Law of 1999." Amends TCA Title 67, Chapter 6. by *Hargrove. (*SB07 by *Rochelle)

House Bill No. 14 -- Taxes, Privilege - Repeals professional privilege tax. Amends TCA Title 67, Chapter 4, Part 17. by *Newton. (*SB09 by *Cohen)

***House Bill No. 15** -- Taxes, Exemption - Increases amount of amusement tax exemption for membership dues or fees of recreation club or community service organization from \$150 to \$175 per member per annum. Amends TCA Title 67, Chapter 4; Title 67, Chapter 6, Part 3 and Title 67, Chapter 6, Part 5. by *Hargrove. (SB33 by *Rochelle)

HOUSE BILLS ON SECOND CONSIDERATION

On motion, bills listed below passed second consideration and were referred by the Speaker to Committee or held on the Clerk's desk as noted:

***House Bill No. 3** -- Taxes, Franchise -- House Finance, Ways & Means Committee

***House Bill No. 4** -- Taxes, Privilege -- House Finance, Ways & Means Committee

***House Bill No. 5** -- Taxes, Franchise -- House Finance, Ways & Means Committee

***House Bill No. 6** -- Taxes, Exemption -- House Finance, Ways & Means Committee

REPORTS FROM STANDING COMMITTEES

The committees that met on **March 31, 1999**, reported the following:

GOVERNMENT OPERATIONS

The Government Operations Committee, after carefully reviewing the rulemaking portions of the following bill(s) pursuant to TCA 4-5-108, recommended that the following be referred to the Finance, Ways and Means Committee: House Bill(s) No(s). 1.

CONSENT CALENDAR

House Resolution No. 3 -- Memorials, Personal Achievement - Wanda Crouch Walker, 1999 Tennessee Mother of the Year. by *Boyer.

House Resolution No. 4 -- Memorials, Recognition and Thanks - Andreas Becker, Exchange Student, Germany. by *Fraleay.

House Resolution No. 5 -- Memorials, Recognition and Thanks - Robert Rockel of Cologne, Germany. by *Fraleay.

House Resolution No. 6 -- Memorials, Recognition and Thanks - Katharina Turecek of Vienna, Austria. by *Fraleay.

House Joint Resolution No. 6 -- Memorials, Personal Achievement - Allan Kerley; Rotary Club Perfect Attendance Award. by *Sands.

House Joint Resolution No. 7 -- Memorials, Public Service - Columbia Rotary Club, 75th anniversary. by *Sands.

House Joint Resolution No. 8 -- Memorials, Death - Josie Slagle. by *Boyer.

House Joint Resolution No. 9 -- Memorials, Personal Occasion - Ewing Barrett, 80th birthday. by *Hood, *Eckles, *Bone.

House Joint Resolution No. 10 -- Memorials, Recognition and Thanks - Mt. Zion Baptist Church. by *Langster, *Pruitt, *Jones, S., *DeBerry L, *Hargrove, *West, *Arriola, *Garrett, *Briley, *Naifeh.

House Joint Resolution No. 11 -- Memorials, Sports - Jermaine Ousley, University of Memphis basketball player. by *Hargett.

House Joint Resolution No. 12 -- Memorials, Personal Achievement - Elise West, Shelby County Spelling Bee winner. by *Hargett.

OBJECTION -- CONSENT CALENDAR

Objection(s) was/were filed to the following on the Consent Calendar:

House Resolution No. 3: by Rep. Boyer

Under the rules, House Resolution No. 3 was/were placed at the foot of the calendar for April 1, 1999.

Rep. Langster moved that all members voting aye on **House Joint Resolution No. 10** be added as sponsors, which motion prevailed.

Pursuant to **Rule No. 50**, Rep. Miller moved that all House Bills having companion Senate Bills and are on the Clerk's desk be conformed and substituted for the appropriate House Bill, all Senate and House Bills on the Consent Calendar be passed on third and final consideration, all House Resolutions and House Joint Resolutions be adopted, and all Senate Joint Resolutions on the Consent Calendar be concurred in, which motion prevailed by the following vote:

Ayes.....	91
Noes.....	0
Present and not voting	2

Representatives voting aye were: Armstrong, Arriola, Baird, Beavers, Bittle, Black, Bone, Bowers, Boyer, Briley, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Cocke), Davis (Washington), DeBerry J., DeBerry L., Dunn, Eckles, Ferguson, Fitzhugh, Ford, Fraley, Garrett, Givens, Godsey, Goins, Gunnels, Hagood, Hargett, Hargrove, Harwell, Hassell, Head, Hood, Jones S., Jones U., Kent, Kernell, Kerr, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Patton, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Roach, Robinson, Sands, Sargent, Scroggs, Sharp, Stulce, Tidwell, Tindell, Todd, Towns, Turner (Hamilton),

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Turner (Shelby), Walker, Walley, West, Westmoreland, White, Whitson, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 91.

Representatives present and not voting were: Fowlkes, Williams -- 2.

A motion to reconsider was tabled.

ENROLLED BILLS

March 31, 1999

MR. SPEAKER: Your Chief Engrossing Clerk begs leave to report that we have carefully compared House Resolution(s) No(s). 4, 5, 6, and 7; and find same correctly enrolled and ready for the signature of the Speaker.

BETTY KAY FRANCIS, Chief Engrossing Clerk.

SIGNED

March 31, 1999

The Speaker signed the following: House Resolution(s) No(s). 4, 5, 6, and 7.

BETTY KAY FRANCIS, Chief Engrossing Clerk.

ENGROSSED BILLS

March 31, 1999

The following bill(s) have been examined, engrossed, and are ready for transmission to the Senate: House Joint Resolution(s) No(s). 6, 7, 8, 9, 10, 11, and 12.

BETTY KAY FRANCIS, Chief Engrossing Clerk.

ROLL CALL

The roll call was taken with the following results:

Present..... 93

Representatives present were: Armstrong, Arriola, Baird, Beavers, Bittle, Black, Bone, Bowers, Boyer, Briley, Brooks, Brown, Buck, Bunch, Buttry, Caldwell, Chumney, Cole (Carter), Cole (Dyer), Cooper, Curtiss, Davidson, Davis (Cocke), Davis (Washington), DeBerry J., DeBerry L., Dunn, Eckles, Ferguson, Fitzhugh, Ford, Fowlkes, Fraley, Garrett, Givens, Godsey, Goins, Gunnels, Hagood, Hargett, Hargrove, Harwell, Hassell, Head, Jones S., Jones U., Kent, Kernell, Kerr, Kisber, Langster, Lewis, Maddox, McCord, McDaniel, McDonald, McKee, McMillan, Miller, Montgomery, Mumpower, Newton, Patton, Phelan, Pinion, Pleasant, Pruitt, Rhinehart, Ridgeway, Rinks, Roach, Robinson, Sands, Sargent, Scroggs, Sharp, Stulce, Tidwell, Tindell, Todd, Towns, Turner (Hamilton), Walker, Walley, West, Westmoreland, White, Whitson, Williams, Windle, Winningham, Wood, Mr. Speaker Naifeh -- 93.

RECESS MOTION

On motion of Rep. Hargrove, the House recessed until 9:00 a.m., Thursday, April 1, 1999.